TEXAS DEPARTMENT OF INSURANCE
Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)
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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name
TEXAS HEALTH FORT WORTH

Respondent Name
CITY OF FORT WORTH

MFDR Tracking Number
M4-18-0496-01

Carrier's Austin Representative
Box Number 04

MFDR Date Received
October 23, 2017

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: The requestor did not submit a position statement for review with the request.

Amount in Dispute: $3,595.48

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "After review, Careworks disagrees with the calculation."

Response Submitted by: CareWorks managed care services

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Dispute Amount	Amount Due
November 1, 2016	Outpatient Hospital Services	$3,595.48	$2.78

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.403 sets out the acute care hospital fee guideline for outpatient services.
3. 28 Texas Administrative Code §134.203 sets out the fee guideline for professional medical services.
4. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - 97 – THE BENEFIT FOR THIS SERVICE IS INCLUDED IN THE PAYMENT/ALLOWANCE FOR ANOTHER SERVICE/PROCEDURE THAT HAS ALREADY BEEN ADJUDICATED.
   - P12 – WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.
   - 193 – ORIGINAL PAYMENT DECISION IS BEING MAINTAINED. UPON REVIEW, IT WAS DETERMINED THAT THIS CLAIM WAS PROCESSED PROPERLY.
   - P14 – THE BENEFIT FOR THIS SERVICE IS INCLUDED IN THE PAYMENT/ALLOWANCE FOR ANOTHER SERVICE/PROCEDURE THAT HAS ALREADY BEEN ADJUDICATED.
   - W3 – ADDITIONAL PAYMENT MADE ON APPEAL/RECONSIDERATION.

Issues

1. What is the recommended payment for the services in dispute?
2. Is the requestor entitled to additional reimbursement?

Findings

1. This dispute regards outpatient hospital facility services with payment subject to 28 Texas Administrative Code §134.403, requiring the maximum allowable reimbursement (MAR) to be the Medicare facility specific amount applying the effective Medicare Outpatient Prospective Payment System (OPPS) formula and factors, published annually in the Federal Register, with modifications as set forth in the rule. Medicare OPPS formulas and factors are available from the Centers for Medicare and Medicaid Services (CMS) at http://www.cms.gov.

   Rule §134.403(f)(1) requires that the sum of the Medicare facility specific amount and any applicable outlier payment be multiplied by 200 percent.

   Medicare's Outpatient Prospective Payment System (OPPS) assigns an Ambulatory Payment Classification (APC) to billed services based on procedure code and supporting documentation. The APC determines the payment rate. Payment for ancillary items and services is packaged into the APC payment. CMS publishes quarterly APC rate updates, available at www.cms.gov.

   Note: Medicare OPPS rules and payment factors are current during the calendar year (CY2016); however, the facility wage index factors are current during the Federal fiscal year, which begins on October 1st. Medicare updated the facility wage index factors applicable to these fee calculations effective October 1, 2016 (FY2017).

   Rule §134.403(d) requires that for coding, billing, reporting, and reimbursement of covered health care, Texas workers' compensation system participants shall apply Medicare payment policies in effect on the date a service is provided with any additions or exceptions specified in the rule.

   Rule §134.403(d)(3) requires that whenever a component of the Medicare program is revised and effective, use of the revised component shall be required for compliance with Division rules, decisions, and orders for services rendered on and after the effective date, or after the effective date or the adoption date of the revised Medicare component, whichever is later.

   As Medicare's wage index factors for Federal fiscal year 2017 were effective on October 1, 2016, and the disputed services were performed on November 1, 2016, the division uses the wage factors for FY2017 in calculating the fees in this dispute.

   Reimbursement for the disputed services is calculated as follows:

   - Procedure codes J7030, J2270, J2405, and G0378 have status indicator N, denoting packaged codes integral to the total service package with no separate payment; reimbursement is included in the payment for the primary services.
   - Procedure codes 36415, 80048, 80076, 82150, and 84484 have status indicator Q4, denoting packaged labs; reimbursement is included in APC payment for primary services.
   - Procedure code 96374 has status indicator S, denoting significant outpatient procedures paid by APC, not subject to reduction. This is assigned APC 5693. The OPPS Addendum A rate is $92.40. This is multiplied by 60% for an unadjusted labor-related amount of $55.44, which is multiplied by the facility wage index of 0.9618 for an adjusted labor amount of $53.32. The non-labor related portion is 40% of the APC rate, or $36.96. The sum of the labor and non-labor portions is $90.28. The cost of services does not exceed the fixed-dollar threshold of $3,250. The outlier payment is $0. The Medicare facility specific amount of $90.28 is multiplied by 200% for a MAR of $180.56.
   - Procedure code 96375 has status indicator S, denoting significant outpatient procedures paid by APC, not subject to reduction. This is assigned APC 5692. The OPPS Addendum A rate is $42.31. This is multiplied by 60% for an unadjusted labor-related amount of $25.39, which is multiplied by the facility wage index of 0.9618 for an adjusted labor amount of $24.42. The non-labor related portion is 40% of the APC rate, or $16.92. The sum of the labor and non-labor portions is $41.34. The cost of services does not exceed the fixed-dollar threshold of $3,250. The outlier payment is $0. The Medicare facility specific amount of $41.34 is multiplied by 200% for a MAR of $82.68.

- Procedure code 99284 has status indicator J2, denoting hospital, clinic or emergency room visits (including observation/critical care services) subject to composite payment if certain other services are billed in combination. This is assigned APC 5024. The OPPS Addendum A rate is $326.99. This is multiplied by 60% for an unadjusted labor-related amount of $196.19, which is multiplied by the facility wage index of 0.9618 for an adjusted labor amount of $188.70. The non-labor related portion is 40% of the APC rate, or $130.80. The sum of the labor and non-labor portions is $319.50. The cost of services does not exceed the fixed-dollar threshold of $3,250. The outlier payment is $0. The Medicare facility specific amount of $319.50 is multiplied by 200% for a MAR of $639.00.
- Procedure code 90656 has status indicator L, denoting vaccines paid at a reasonable cost. The insurance carrier allowed $17.35. Review of the submitted information finds insufficient documentation to support a different reimbursement from the amount determined by the carrier. No additional payment recommended.
- Procedure code 93005 has status indicator Q1, denoting STV-packaged codes; reimbursement for these services is packaged with the payment for any procedures with status indicator S, T or V on the same claim.
- Procedure code 90471 has status indicator S, denoting significant outpatient procedures paid by APC, not subject to reduction. This is assigned APC 5692. The OPPS Addendum A rate is $42.31. This is multiplied by 60% for an unadjusted labor-related amount of $25.39, which is multiplied by the facility wage index of 0.9618 for an adjusted labor amount of $24.42. The non-labor related portion is 40% of the APC rate, or $16.92. The sum of the labor and non-labor portions is $41.34. The cost of services does not exceed the fixed-dollar threshold of $3,250. The outlier payment is $0. The Medicare facility specific amount of $41.34, is multiplied by 200% for a MAR of $82.68.

2. The total recommended reimbursement for the disputed services is $1,002.27. The insurance carrier has paid $999.49 leaving an amount due to the requestor of $2.78. This amount is recommended.

Conclusion

For the reasons stated above, the division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is $2.78.

ORDER

Based on the submitted information, pursuant to Texas Labor Code Section 413.031 and 413.019 (if applicable), the division has determined the requestor is entitled to additional reimbursement for the disputed services. The division hereby ORDERS the respondent to remit to the requestor $2.78, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

Authorized Signature

	Grayson Richardson	December 8, 2017
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with Rule §133.307, effective May 31, 2012, 37 *Texas Register* 3833, **applicable to disputes filed on or after June 1, 2012**.

A party seeking review must submit a Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision (form DWC045M) in accordance with the instructions on the form. The request must be received by the division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed. Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision* together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.